

**WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES**  
**Division of Health Care Financing**  
**1 W. Wilson St.**  
**Madison WI 53702**

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To: Food Stamp Handbook Holders

From: Rick Zynda,  
Bureau of Income Maintenance Administration

RE: **FS Handbook Release 02-04**

DATE: August 12, 2002

**EFFECTIVE DATE** Implement the instructions at application, recertifications, and change, or, if you wish, earlier. The following policy additions or changes are **effective 08/12/02**, unless otherwise noted. Bold text denotes new text.

**POLICY CHANGES**

Organizational change The former Office of Nutrition Services and Program Integrity (ONSPI), which oversees the Food Stamp (FS) Program, has moved from the Department of Workforce Development to the Department of Health and Family Services. The FS Program is now part of the new Bureau of Income Maintenance Administration (BIMA).

ABAWDS Unit The State of Wisconsin received a waiver from the federal government for ABAWD (Able Bodied Adults Without Dependents) policy. Previously, there were time limits placed on ABAWDS who failed to meet minimum FS Work Participation requirements. Now, there are no time limits placed on ABAWDS. However, ABAWD status should still be tracked in CARES.

This Logic Flow Unit was updated to reflect the waiver policy, which is effective until March 31, 2003. The preface was re-written to explain the waiver, questions 11-15 were deleted, and questions 9-11 were re-written to reflect the policy change.

Full ABAWD policy is found in the FSET Manual Ch. 6.

01.05.00 A clarifying statement was added to this section on foster care recipients.

**Clarification:** A foster person is a person for whom foster care is being paid. **They are placed in the homes of relatives or other individuals by a federal, state, or local government foster care program.** This determination is regardless of the funding source or the age of the foster person. Include a foster care recipient in the food unit only when the primary person asks that the foster care recipient be included. The foster care recipient may belong only to the food unit s/he receives the foster care and meals from.

02.04.00 This third paragraph of this section regarding receipt of food stamps in a drug or alcohol treatment center was updated.

**Old Policy:** An authorized representative must apply for these residents. The center employs and appoints the authorized representative. S/he receives and uses FS for the resident. S/he purchases food for meals, or meals prepared or served by the center, or both.

**New Policy:** An authorized representative must apply for these residents. The center employs and appoints the authorized representative. **The center may choose a representative to be the food stamp payee or an authorized buyer. S/he will**

receive a Wisconsin QUEST card to access food stamp benefits on behalf of the resident. The center may also choose the resident to be the sole QUEST cardholder as the primary person of the case. The QUEST cardholder may purchase food for meals or meals prepared or served by the center, or both.

11.04.18

This section regarding Earned Income Tax Credit was updated. The example mentioned the Monthly Report Form (MRF) process, which became obsolete with prospective budgeting. It also was changed to reflect that a case that closes for one day or more is considered a closed case.

**Old Policy:** Disregard any Earned Income Tax Credit (EITC) payments received by participating FS group members for 12 continuous months from the month of receipt. "Twelve continuous months" include breaks in participation of one month or less because of administrative reasons. If there is a break of more than one month, count the remaining EITC as an asset.

**Example:** John, a FS recipient, received a \$1,000 EITC lump sum payment in January and deposited it in his savings account. In March, he is ineligible for benefits for failure to submit his Monthly Reporting Form. In April, John is once again eligible for benefits. Continue to disregard the \$1,000 EITC payment through December.

**New Policy:** Disregard any Earned Income Tax Credit (EITC) payments received by participating FS group members for 12 continuous months from the month of receipt. **If there is a break of one day or more, count the remaining EITC as an asset.**

**Example:** John, a FS recipient, received a \$1,000 EITC lump sum payment in January and deposited it in his savings account. **On March 31, he is ineligible for benefits for failure to complete a review. On April 3rd, he reapplies for FS and is found eligible as of the 3rd. Count any remaining amount of the \$1,000 EITC payment as an asset.**

12.02.23

A reference to SSI as a means-tested program was removed in dotpoint 2 regarding repayments. SSI is not considered a means-tested program for these requirements. A dotpoint 3 was added to clarify how to budget SSI when a repayment is made.

**Clarification:** Repayments are moneys that are paid back either voluntarily or involuntarily from some other program's benefits. Intentional failure to comply with program requirements is determined by the authorities for that program. Contact those authorities to determine the reason for repayments. Use the amount that would have been paid before the penalty to determine eligibility and allotment. **An exception exists for SSI repayments. See dotpoint 3 below for that.**

An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include W-2, W-2 Child Care, or the Refugee Assistance Program. **SSI is not considered a means-tested program for these requirements.**

**3. Always budget net SSI regardless of the reason for any overpayment. See 12.02.33.**

12.02.33

This section on SSI income was clarified. SSI is not considered a means tested program for these requirements. The reference to appendix section 17.02.00 was removed as it is irrelevant. Net SSI should always be budgeted.

**Clarification:**

Count net SSI income **always**. **SSI is not considered a means tested program** for these requirements and there are no work or school attendance requirements for this program. See 12.02.11 for information on SSI lump sum payments.

This section regarding rental income was clarified to show that the principal, interest, taxes, and insurance paid for a rental unit are deducted from the total rent received to calculate the "net rent" for a self-employed property owner receiving food stamps.

**Old Policy:**

1. When the owner isn't an occupant, "net rent" is the rent payment received minus the interest portion of the mortgage payment and other verified operational costs.
2. When income is received from a duplex, triplex, and so on, operation and the owner lives in one of the units, compute "net rent" as follows:
  - a. Add the interest portion of the mortgage payment and other verifiable operational costs common to the entire operation.

**New Policy:**

1. When the owner isn't an occupant, "net rent" is the **total** rent payment(s) received minus **the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes.**
2. When income is received from **a multi-unit property** and the owner lives in one of the units, compute "net rent" as follows:
  - a. **Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes common to the entire operation.**

15.04.00

This section on Gross Deemers was clarified and the term "Gross Deemers" was added to the subsection title.

**Clarification:** When you exclude a household member from the FS group for IPV or work-related sanction, continue to count that person's income, assets, and expenses as if s/he were still a FS group member. **A person in this situation is known as a Gross Deemer and has a participation status code of GD on screen SFCC and SFCD in CARES.**

16.04.05

New allowable medical expenses were added to this section.

**New Policy:**

12. Any cost-sharing, co-payment, or MA deductible expense incurred by an MA recipient, **including MA deductible pre-payments.**

**15. The \$20 SeniorCare enrollment fee.**

17.01.01

This section regarding FS Groups with 1 or 2 persons was updated. The income limits mentioned have changed.

**Old Policy:** 1. The allotment table (18.6.0) covers most cases. However, for a 1 person FS group with income over \$1013, and a 2 person FS group with income over \$1353, the table doesn't show the minimum \$10 allotment.

**New Policy:** 1. The allotment table (18.6.0) covers most cases. However, for a 1 person FS group with income over **\$1186**, and a 2 person FS group with income over **\$1600**, the table doesn't show the minimum \$10 allotment.

17.02.00

A reference to SSI as a means-tested program was removed. According to law, SSI is not considered a means-tested program for these requirements.

17.03.00

A reference to SSI as a means-tested program was removed. According to law, SSI is

not considered a means-tested program for these requirements.

21.04.00

This section regarding telephone reviews was updated. A change report form is no longer required as part of the telephone review.

**Old Policy:** At the end of the interview, review all changes with the client. Instruct the client to sign the change report form and mail it back to you at the FS agency within 10 days.

**New Policy:** At the end of the interview, review all changes with the client.

22.02.01

This section on Residency was updated to change the word "address" to "residence" for clarity.

**Old Policy:** Applicants must verify their address at the time of application and recipients must verify their address when they move.

**Clarified Policy:** Applicants must verify their **residence** at the time of application and recipients must verify their **residence** when they move.

22.03.04

This section regarding verifying shelter and utility expenses was clarified. The policy was not changed. Examples were added.

**Old Policy:** Shelter and Utility expenses need to be verified at application, at review when changes are reported, when the group moves, and anytime there is a reported change. See 16.07.00 Shelter and 16.08.00 Utilities.

**Clarified Policy:** Shelter and Utility expenses need to be verified at application, at review when changes are reported, when the group moves, and anytime there is a reported change.

**Changes in shelter or utility expenses between applications, reviews, or moves that are not required to be reported would not cause an overpayment if not reported. Unreported changes that were required to be reported could cause an overpayment.** See 16.07.00 Shelter and 16.08.00 Utilities.

24.02.16.05

This new section was added to describe how to process FS cases that moved from another state with an EBT card from that state.

**New Policy:** Households who arrive from another state (except Wyoming and Ohio) with a FS Electronic Benefit Transfer (EBT) card should be able to use the card in any Wisconsin store that accepts food stamps. Wyoming and Ohio may issue coupons to the household, cash out the household's account in that state or have a policy that requires benefits be spent in that state. The household should contact the previous state regarding their policy on converting EBT benefits.

**Workers should contact the issuing state to ensure that the applicant is not getting duplicate FS.**

24.01 Appendix K

A new appendix was added to the end of the EBT Chapter. Appendix K explains PIN select rules for Quest cards.

25.01.00

The Processing Guidelines chapter was completed. Sections were added on Migrant Eligibility, Case Management, Data Exchange, and Change Reporting Guidelines. A section on Alien Eligibility will be added in an upcoming release. The FS First Aid Kit, a desk aid found on the web, is now obsolete and will be removed.

Introduction	The example was changed since Chapter 8 was deleted and moved to the FSET manual. Chapter 12 was used in the new example to explain the decimal numbering system used throughout the FS Handbook.
Work Participation Unit Preface, Q. 3, 4, 5, 7, 8, 9, 10, 11, 12, 14, 17, 18, ABAWDS Unit Preface, Q. 4 -11, Sanctions Unit Preface, Q. 3, 5, 8, 13, Unearned Income Unit Q. 1, 2, Earned Income Unit Q. 7, Appendix section 01.09.01, and 07.02.00	References to Chapter 8 Work Requirements were changed to the FSET Manual throughout the FS Handbook.
03.03.00	Bold and underlined formatting was added for clarity to this section listing tribal agencies.
07.01.01	Item 12 was moved to item 7 for continuity and the rest of this list was renumbered. Policy did not change.
11.01.03	Links were updated to the correct format.
11.01.04.01	Links were updated to the correct format.
11.04.29	Links were updated to the correct format.
11.04.34	Links were updated to the correct format.
11.05.02	Links were updated to the correct format.
11.05.04	Links were updated to the correct format.
12.02.11	Links were updated to the correct format.
12.02.11.02	Links were updated to the correct format.
12.02.11.03	Links were updated to the correct format.
12.02.25	Links were updated to the correct format.
12.02.25.02	Links were updated to the correct format.
12.02.25.03	Links were updated to the correct format.
12.02.30	Links were updated to the correct format.
12.02.39	Links were updated to the correct format.
12.03.01.02	A portion of this section regarding changes to earned income was inadvertently deleted when converting the paper handbook to the online version. It was replaced here. The previously deleted section is marked in bold.

**Corrected Policy:** Changes must be reported to the FS agency within 10 days of the date the change is known to the household, **except for reporting receipt of a new job.**

**Then the change must be reported within 10 days from when the jobs starts.**

12.03.07	Links were updated to the correct format.
12.03.08.01	Links were updated to the correct format.
12.03.13	Links were updated to the correct format.
12.03.17	Links were updated to the correct format.
12.03.18	Links were updated to the correct format.
12.03.19	Links were updated to the correct format.
12.03.20	Links were updated to the correct format.
12.03.22	Links were updated to the correct format.
12.03.27	Links were updated to the correct format.
13.04.00	Links were updated to the correct format.
13.05.00	Links were updated to the correct format.
13.05.01.02	Links were updated to the correct format.
14.03.01	Links were updated to the correct format.
14.04.00	Links were updated to the correct format.
14.05.00	Links were updated to the correct format.
15.02.06.02	The examples in this section were updated with the current Heating standard (HSUA).
15.03.04	Links were updated to the correct format.
15.05.00	Links were updated to the correct format.
15.06.00	Links were updated to the correct format.
15.07.00	Links were updated to the correct format.
16.02.00	Links were updated to the correct format.
16.04.01	Links were updated to the correct format.
16.04.02	Links were updated to the correct format.
16.04.04	The link to 22.05.05 was corrected to 22.03.05.
16.05.01	Links were updated to the correct format.
16.05.03	A link to 22.05.06 was corrected to 22.01.00.
16.08.03.01	This subsection was deleted and the text was included in the previous section "16.08.03 Verifying."
16.08.08.03	Links were updated to the correct format.
16.08.12	Links were updated to the correct format.

16.08.16

Links were updated to the correct format.

22.03.03

The word "dependent" was spelled incorrectly and was fixed.

24.01.00

The last sentence of the paragraph was removed: *"Eventually, the EBT chapter will be converted to the same format as the rest of the handbook."* The EBT chapter will remain as a separate pdf document because screen shots cannot be incorporated into the current handbook format.

24.02.06.01

A link to the new Appendix K was added in the EBT Chapter.